

## Exhibit 12



## **Yuanda USA Corporation**

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Aug 1<sup>st</sup>, 2019

To: Whitestone Construction Corp. (Whitestone)

Attention: Steven Grzic

Re: Non-conforming Yuanda's Fabrication of the WT-3 Clerestory Structure Components Issues

Dear Sirs,

As Yuanda has responded in "Regarding Sciame's decision of rejecting as non-conforming Yuanda's fabrication of the WT-3 Clerestory structural components, and the requirement of having Yuanda to bear relevant responsibilities caused by that" dated June 28, 2019, Yuanda has expressed its basic standpoint: the causes of the aforesaid issues are not by Yuanda, but Yuanda is willing to cooperate with Whitestone to complete relevant work.

Specifically, Yuanda will cooperate with the implementation of WCC's proposed solutions, that is, to cooperate with the redesign of corresponding drawings. Before specific plan is made, Yuanda hopes that WCC could communicate with the design team of the general contractor to confirm the final deformation of the roof beam, because the final confirmed data can be beneficial for earlier determination of the remediation plan of site construction. Of course, the smaller the better for the deformation, such as, 1.5" or 2", which will reduce the time and cost of each party on that modification.

Truly,

Yuanda USA Corporation